

From: Kennewick Community FCU, Doug Wadsworth
Subject: Reg Z - Truth in Lending

Comments:

Dear Chairman,

Due to "fine print" in the types of loan documents we use for auto and RV loans, the recently adopted Credit Card Act (the portion requiring the 21 days notice by statement before a payment is due) will heavily impact our lending operations and costs. I manage a small Credit Union in Southeast Washington, established by a local electricians union.

This requirement would require us to spend thousands of dollars more per month in statement costs (if our statement and software vendor can even manage it) or a change of the due date of nearly all the auto loans we currently have on our books. We would need to move everyone's due dates to the 28th of the month or later - in order to allow sufficient time from the mailing of our monthly account statements. This could effectively invalidate the disclosures we made at the time of the loan (as the payoff date may be later), and will encourage more borrowers to delay paying their debts, thus costing them more interest.

I do not believe the drafters or approvers of this Act realized the impact it has on "non credit card" loans for credit unions across the nation.

I respectfully request that you delay the required implementation of this Act, as we may not have time to make the changes to all the due dates in time. Or even better, draft an exception for secured loans which generally will have a fixed payment for the life of the loan (such as our car loans), so that the Act will only impact open ended Credit Cards or Home Equity Lines of Credit, as I think was intended.

Thank you for your consideration.

Doug Wadsworth
Kennewick Community FCU